Table 2. Estimated Results of RJR Nabisco (dollars in millions)[a]

	1985 Yr-to-Yr		1986(E) Yr-to-Yr		1987(E) Yr-to-Yr	
	Amt($)	% Chg	Amt($)	% Chg	Amt($)	% Chg
Revenues: Tobacco						
Domestic	5,717	4	6,050	6	6,450	7
Foreign	2,345	0	2,840	21	3,125	10
Total Tobacco	8,062	3	8,890	10	9,575	8
Foods and Beverages(b)	8,533	66	10,410	22	11,000	6
Total revenues	16,595	28	19,300	16	20,575	7
Operating income: Tobacco						
Domestic	1,273	16	1,390	9	1,515	9
Foreign	210	2	270	-29	305	13
Total Tobacco	1,483	14	1,660	12	1,820	10
Foods and Beverages(b)	763	97	990	30	1,065	8
Total operating income	2,246	33	2,650	18	2,885	9
Nonoperating income(*exp.*)						
Corporate expense	-83	12	-115	39	-130	13
Interest expense	-356	90	-570	60	-550	-4
Other income(*exp.*)	47	-61	60	28	10	-83
Total nonoperating	-392	178	-625	59	-670	7
Pretax earnings	1,854	19	2,025	9	2,215	9
Taxes	853	20	918	8	969	6
Net income	1,001	19	1,107	11	1,246	13
Preferred dividends	91	63	115	26	42	-63
Available for common	910	16	992	9	1,204	21
Earnings per share	3.60	29	3.95	10	4.80	21
Average shares(*millions*)	252.9	-10	251.0	-1	251.0	0
Operating margins(%)						
Tobacco						
Domestic(E)	22.3		23.0		23.5	
Foreign(E)	9.0		9.5		9.8	
Total Tobacco	18.4		18.7		19.0	
Foods and Beverages	8.9		9.5		9.7	
Total operating margin	13.5		13.7		14.0	
Pretax margin	11.2		10.5		10.8	
Tax rate	46.0		45.3		43.7	
Net margin	6.0		5.7		6.1	

— — Estimated and Recent Quarterly Results — —

1985	1 Qtr	2 Qtr	3 Qtr	4 Qtr
Revenues	2,898.0	3,404.0	4,764.0	5,529.0
Pretax income	347.0	422.0	618.0	580.0
Pretax margin(%)	12.0	12.4	13.0	10.5
Taxes	165.0	194.0	361.0	246.0
Tax rate(%)	47.6	46.0	58.4	42.4
Net income	172.6	228.0	257.0	334.0
Earnings per share	0.66	0.86	0.91	1.17
1986(E)				
Revenues	4,620.0	5,287.0	4,738.0	
Pretax income	371.0	513.0	507.0	
Pretax margin(%)	12.0	9.7	10.7	
Taxes	165.0	237.0	223.0	
Tax rate(%)	47.6	46.2	44.0	
Net income	206.0	276.00	284.00	
Earnings per share	0.66	0.99	1.03	1.42
Yr-to-yr % change	0.0	15.1	13.2	21.4

Source: Company's annual and quarterly reports.
(E) Kidder, Peabody & Co. Incorporated estimates.
(a) Except per-share data.
(b) 1986 data reflects full ownership of Nabisco Brands and complete elimination of KFC Corporation.

2021554354

Source: https://www.industrydocuments.ucsf.edu/docs/fnhm0000